



Department of Administration
Budget and Policy Division

Tom Barrett
Mayor

Sharon Robinson
Administration Director

Mark Nicolini
Budget and Management Director

January 19, 2005

Ref: 03042

Alderman Michael Murphy, Chair
Finance and Personnel Committee
City Hall, Room 205

Subject: 2004 Police Department Overtime – Final Report

Dear Alderman Murphy:

As requested by your committee, this letter provides the final figure for the Milwaukee Police Department's (MPD) 2004 overtime expenditures.

For 2004, the MPD expended \$13.5 million in total overtime, with \$11.9 million charged to its operating funded (O&M) salary account. The remaining amount was charged to various grant sources. The department's 2004 operating budget for overtime was approved at \$9.8 million or about \$2.1 million less than expended. This budgeted amount does not take into consideration the 2001-2003 Milwaukee Police Supervisors' Organization (MPSO) contract settlement, which would account for approximately \$350,000 of the 2004 expenditures.

The MPD has made significant reductions in the amount of overtime hours and its associated costs from 2003. The MPD reduced 2004 paid overtime hours by 26% (120,000 hours) when compared to 2003, and reduced spending for O&M funded overtime also by 26% (\$4.1 million). While we are pleased with this improvement, we will continue to work with the MPD to further minimize risks of exceeding the budgeted salary account and its liability on the Common Council Contingent Fund.

If you have further questions on this matter, please feel free to contact David Schroeder of my staff at extension 8524.

Sincerely,

Mark Nicolini
Budget and Management Director

DS:dmr

cc. Finance and Personnel Committee
Fire and Police Commission
Mayor's Office
Police Chief Nannette Hegerty
Grant Langley, City Attorney